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EXTENSION REQUEST TO THE STATE'S WORKFORCE INVESTMENT PLAN

In accordance with the Training and Employment Guidance Letter (TEGL) No. 7-08, issued December 11, 2008, the State of Michigan is requesting an extension to our existing Workforce Investment Act (WIA) and Wagner-Peyser Act Strategic Plan to include Program Year (PY) 2009, the time period July 1, 2009, through June 30, 2010. The existing Strategic Plan extension request includes the continuation of current waivers and work-flex authority as well maintaining the PY 2008 WIA and Wagner-Peyser performance goals for the duration of PY 2009.

Background Information

The current WIA and Wagner-Peyser Strategic (State) Plan, and all approved waivers will expire on June 30, 2009. The Employment and Training Administration (ETA) only required that states submit a State Plan for the first two years (PY 2005 and 2006) of the five-year planning cycle because of the anticipated reauthorization of WIA. Due to the uncertainty of the WIA Authorization, states were given authority to submit modification request for two additional years, PY 2007 and 2008.

For the final and remaining PY 2009, TEGL 7-08 provides instructions for states to extend the life of the current PY 2007-2008 State Plan and existing waivers to include PY 2009, or submit modifications. Michigan has chosen to extend the current Plan to cover PY 2009.

Extension of Existing Waivers and Work-Flex Authority

The following list of WIA waivers and work-flex authority will continue to assist the State of Michigan in developing its workforce investment system. Subsequently, to retain maximum flexibility we are requesting an extension of three existing waivers and work-flex authority through June 30, 2010.

1. In an effort to continue quality client-customer service and evaluation of alternative Individual Training Accounts (ITA) service methodologies, we are seeking to extend the waiver on the time limit of initial eligibility of training providers for one local area (Thumb Area Michigan Works!). Included in this waiver request is the approval for the local area to continue to pilot an ITA Tiered Provider System for the duration of this Plan. Since its inception, the ITA Tiered Provider system has increased consumer choice in the area of training opportunities, built a stronger partnership base with job training

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institutions, and has encouraged innovative initiatives among providers to maximize workforce development service availability.

2. The state seeks to extend its waiver that allows the utilization of a portion, up to fifty percent, of the funds reserved for Rapid Response activities as “local activity funds” to operate an Incumbent Worker Training Program as described under Section 134(a)(3)(A)(iv)(I) and consistent with 20 CFR Sections 665.210 and 665.220, at the local Workforce Development Board (WDB) level. These funds will be utilized in the same manner as statewide activities funding. Thus, income eligibility (including self-sufficiency) and WIA performance measures would not be applicable.

This waiver will continue to enhance overall WIA programs and activities at the local level. Providing additional flexibility for state set-aside Rapid Response funds will enable WDBs to tailor their programs to provide definitive layoff aversion strategies, meet demands of local employers, the needs of incumbent workers, job seekers, and further Michigan’s public workforce system.

3. The state seeks to extend its waiver allowing the redistribution of recaptured local area Adult, Dislocated Worker, and Youth funds based on a WDB’s requested amount, demonstrated capacity to expend formula funds, and performance in the current and prior program years, rather than redistribution based solely on a federally mandated formula as described in the WIA Section 128 c and 133 c and the provisions of 20 CFR Section 667.160. Providing the state with greater flexibility in the administration of WIA funding and aligning limited workforce development resources with current demands will further Michigan’s workforce system and will increase the rate of investment of WIA funding.
4. The state also seeks to extend its Work-flex authority for the duration of this strategic plan. Continued work-flex status will allow local service delivery areas to request, and the state to approve, waivers of statutory requirements. Local areas interested in requesting that a specific requirement be waived, must submit a request in writing to the state. All requests will continue to be consistent with Section 192 of the WIA and Section 661.440 of the WIA Final Regulations, and must clearly state the requirement to be waived, the outcomes to be achieved, and measures take to ensure appropriate accountability. State waiver requests will continue to be forwarded to the USDOL for review and approval.

Performance Goals

Request to maintain PY 2008 WIA and Wagner-Peyser performance levels for PY 2009.

The process of establishing agreed-upon levels of performance for 20 performance measures for the WIA and Wagner-Peyser programs was determined by considering the anticipated economic climate, as well as prior year performance outcomes. The 20 performance measures include 17 WIA indicators of performance (15 Adult, Dislocated Worker, and Youth program measures and two customer satisfaction indicators) and three Wagner-Peyser performance measures.

The State of Michigan has considered the current and anticipated economic climate as well as prior performance outcomes while determining the PY 2009 WIA and Wagner-Peyser performance levels. Subsequently, we are requesting to maintain the established PY 2008 WIA and Wagner- Peyser performance levels for the duration of PY 2009.

Attached, please find the WIA and Wagner-Peyser State Performance Goals which reflect the established PY 2008 performance levels to be maintained for PY 2009.

Public Comment and Review

The WIA regulations at 20 CFR 661.230(d) provide that modifications to the State Plan are subject to the same public review and comment requirements that apply to the development of the original plan.

Following CLEG's approval of this extension request, the official request for the WIA and Wagner-Peyser Strategic Plan for PY 2009 will be made available for public review and comment on the Bureau of Workforce Transformation Website.

**WORKFORCE INVESTMENT ACT (WIA) AND WAGNER- PEYSER
STATE PERFORMANCE MEASURES
PROGRAM YEAR 2009 (July 1, 2009 to June 30, 2010)**

Performance Goals		
	Current PY 08	Proposed PY 09
Adult Activities:		
Entered Employment Rate	88.0 %	88.0%
Employment Retention Rate	85.0%	85.0%
Average Earnings	\$10,200	\$10,200
Employment and Credential Rate	83.0%	83.0%
Dislocated Worker:		
Entered Employment Rate	94.0%	94.0%
Employment Retention Rate	92.0%	92.0%
Average Earnings	\$13,200	\$13,200
Employment and Credential Rate	83.0%	83.0%
Older Youth (19-21):		
Entered Employment Rate	83.0%	83.0%
Employment Retention Rate	85.0%	85.0%
Average Earnings Change	\$3,500	\$3,500
Credential Rate	79.0%	79.0%
Younger Youth (14-18):		
Skill Attainment Rate	95.0%	95.0%
Diploma Attainment Rate	89.0%	89.0%
Retention Rate	79.0%	79.0%
Customer Satisfaction:		
Participant	91.0%	91.0%
Employer	86.0%	86.0%
Wagner-Peyser		
Entered Employment Rate	61.0%	61.0%
Employment Retention Rate	82.0%	82.0%
Average Earnings	\$12,500	\$12,500